



How to Disrupt Online Counterfeiting ?

Federation of the Swiss Watch Industry FH

Advisory Committee on Enforcement

WIPO, 23-25 November 2015



Summary

1. Where are we now?
2. Apply the intelligence cycle!
3. Conclusion

1. Introduction

Steady growth of a globalized E-commerce

Increasing demand for counterfeits

Increase in supply

- Consumers likely to buy counterfeiting online
- The counterfeit supply increases and diversifies (very profitable crime / late awareness by authorities)
- The fight against counterfeiting is becoming increasingly complex and sophisticated

Diversity of counterfeiting on the Internet

Dedicated websites



Online marketplaces



Social networks / medias



Apps and Mobile devices



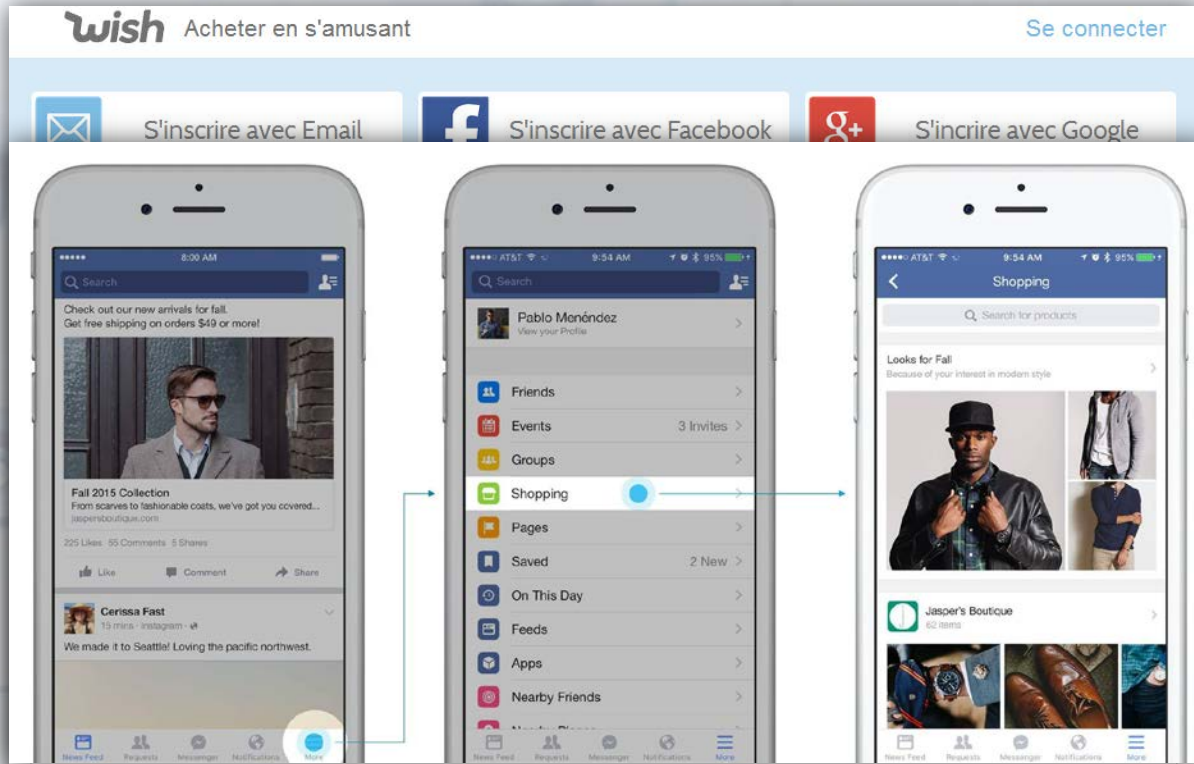


Digital Convergence (or confusion ?)





Get familiar with new media

- ▶ New marketplaces available on mobile devices only



The image displays the Wish mobile application interface. At the top, the logo "wish" is followed by the tagline "Acheter en s'amusant" and a "Se connecter" link. Below this are three registration options: "S'inscrire avec Email", "S'inscrire avec Facebook", and "S'inscrire avec Google". The main content area shows a shopping feed with items like "Fall 2015 Collection" and "Cerissa Fast". A navigation menu is visible in the center, with "Shopping" highlighted. Below the app screenshots, the text "Téléchargez ça pour vos devices mobiles iPhone, iPod, iPad et Android" is displayed, followed by the App Store and Google Play logos.

Téléchargez ça pour vos devices mobiles iPhone, iPod, iPad et Android

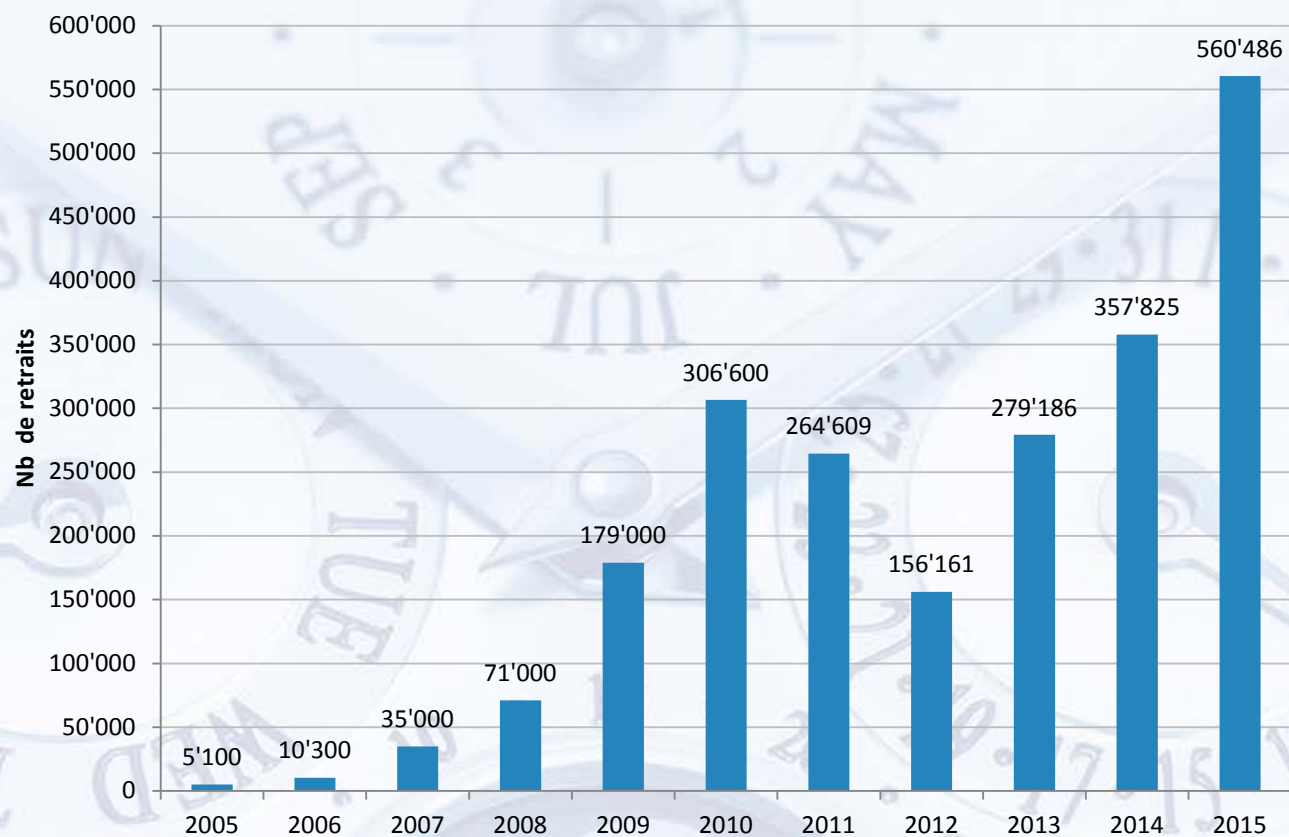
 

But the supply chain remains identical...





Evolution of ads withdrawals (incl. social)



2. Intelligence cycle



2. Intelligence cycle





Operational

Reduce the visibility of counterfeits

But also... collect data

Stand
alone
websites



Market
places



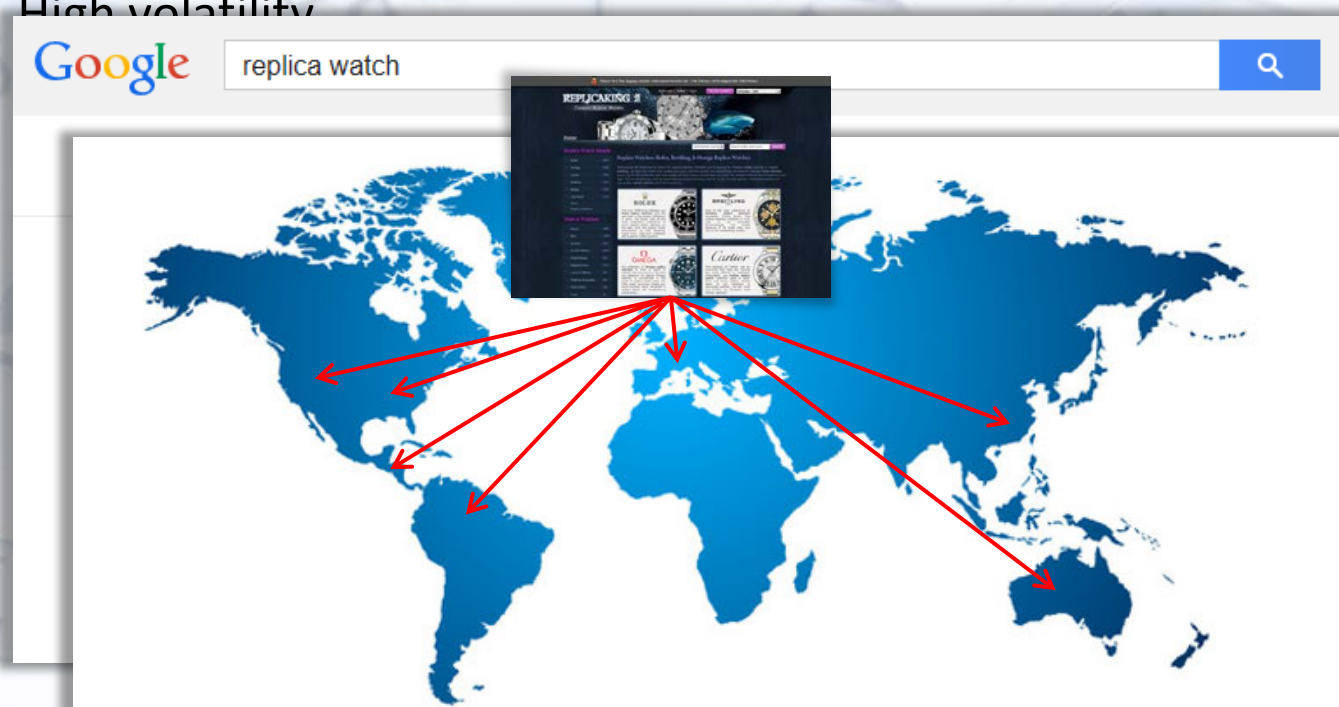
Social
web and
Apps



Dedicated websites (stand alone)

▶ Key features

- Extensive number
- High volatility



Dedicated websites (stand alone)

▶ Key features

- Extensive number
- High volatility
- Multi-site strategy

Response

- Automatization

Over 15 consuming WebIntelligence SP1

The screenshot displays the WebIntelligence SP1 interface. On the left, a preview of the 'REPLICAKING' website is shown, featuring a navigation menu with categories like 'Replica Watch Brands' (Rolex, Omega, Cartier, Breitling, Breguet, Tag Heuer, Hubsch, Replica Watches) and 'Type of Watches' (Dress, Men, Women, Quartz / Battery, Health / Fitness, Replica Pairs, Luxury Cufflinks, Health Bracelets, Wall Clocks, Toys). The main content area of the website preview shows 'Replica Watches: Rolex, Breitling, & Omega Replica Watches' with images of various watches and descriptive text for Rolex, Breitling, Omega, and Cartier.

On the right, the WebIntelligence SP1 analysis results are displayed in a table. The table has columns for Discovery, Last Inves, Decision, CF, SD, Algo, and Screenshot. The data rows show various IP addresses and their associated metrics.

Address	Discovery	Last Inves	Decision	CF	SD	Algo	Screenshot
6.45.178.199	09/21/12	02/14/15	Auto SD	100	77	SD	[Screenshot]
2.53.118.117	09/22/12	02/13/15	Auto SD	84	70	SD	[Screenshot]
3.95.103.120	09/23/12	02/13/15	Auto SD	100	66	CF	[Screenshot]
6.45.178.205	09/29/12	02/16/15	Auto SD	100	66	CL	[Screenshot]
81.174.167.17	09/29/12	02/16/15	Auto CF	100	43	CF	[Screenshot]
81.174.167.17	09/28/12	02/17/15	Auto CF	100	36	CL	[Screenshot]
6.219.100.59	09/28/12	02/17/15	Auto SD	100	80	SD	[Screenshot]
76.61.139.71	09/29/12	02/16/15	Auto SD	100	70	SD	[Screenshot]

des pages jusqu'à 3 niveaux
présentes dans les pages
mail présentes dans les pages
une catégorie

de domaine
du Whois
se IP
se IP
se IP
du Whois IP
tagonistes
en demeure
rgueur
ire
tr

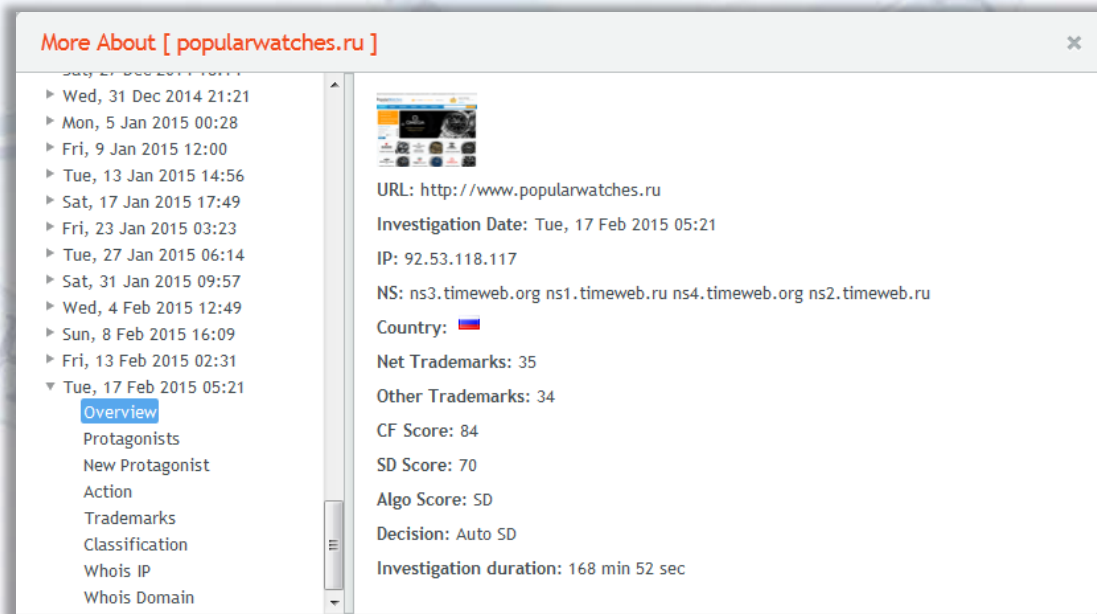
Dedicated websites (stand alone)

▶ Key features

- Extensive number
- High volatility
- Multi-site strategy

Response

- Automatization
- Regular follow-up



More than 10'500 sites in the system

Each active site is re-investigated approx. every 4 days

Allows precise monitoring of the site's evolution

Dedicated websites (stand alone)

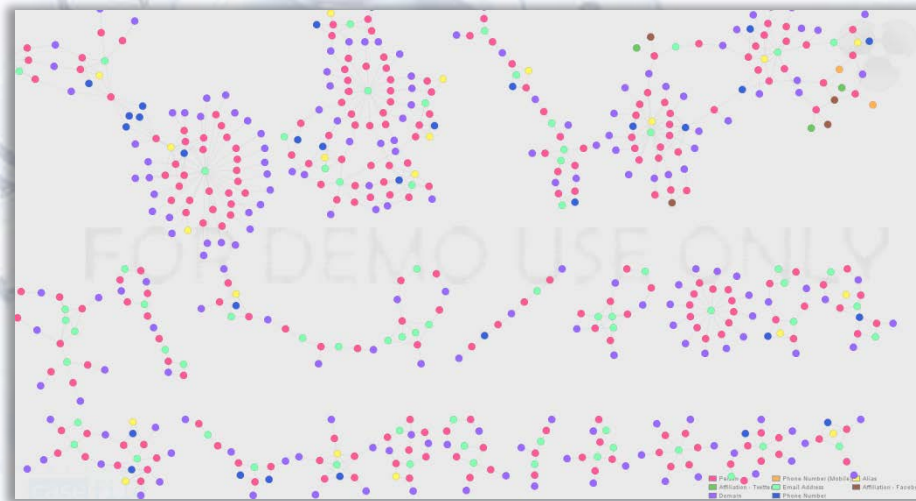
▶ Key features

- Extensive number
- High volatility
- Multi-site strategy

Response

- Automatization
- Regular follow-up
- Network's identification

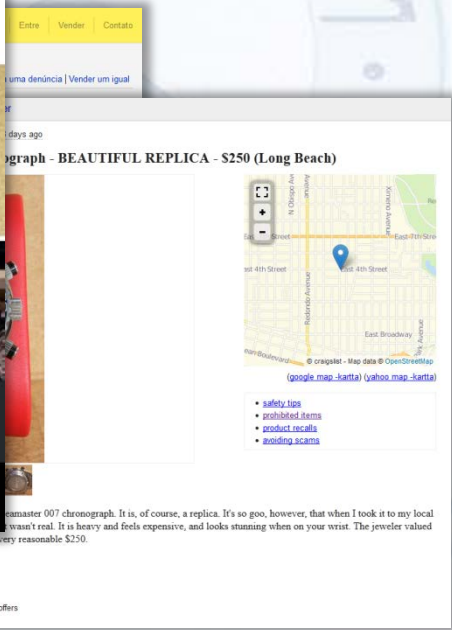
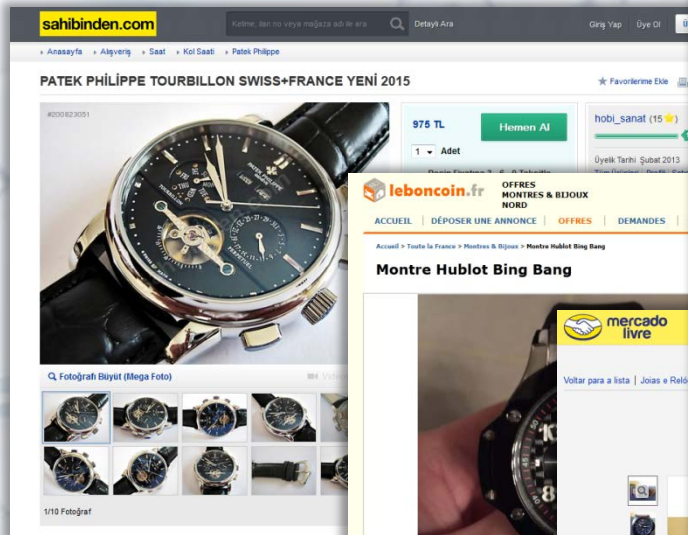
The analysis of the collected data allows to generate relational schemas, helping networks' detection:



2. Marketplaces and social media

▶ Key features

- Diversity of platforms



...master 007 chronograph. It is, of course, a replica. It's so goo, however, that when I took it to my local jeweler, he said it wasn't real. It is heavy and feels expensive, and looks stunning when on your wrist. The jeweler valued the watch at around \$500 (used). I'm asking a very reasonable \$250.

Please call or text 818-823-8396

Thank you

- do NOT contact me with unsolicited services or offers

Marketplaces and social media

Key features



- Diversity of platforms
- Multiple languages and currencies
- Large number of ads

Response

- Flexible tool
- Harmonization, conversion

The screenshot displays a marketplace interface with the following elements:

- Marketplace Header:** Includes a logo and navigation options like 'Home', 'Monitor by keyword', and 'Monitor by seller'.
- Consult items:** A dropdown menu for selecting marketplace domains, with 'ruten.com.tw' selected.
- Search Results:** Two listings for watches are shown, each with a thumbnail image and a detailed description in a table format.

Image	Infos
	<p>ruten.com.tw</p> <p>OMEGA ¼Ú;îX*â¿ö MONTBLANC _UÄ_Äs*â¿ö ROLEX ³Ö×O×h ARMANI*ü;¿¥\$ ¥d;ª"È "KÇ@ü CK*â¿ö</p> <p>21506457245720</p> <p>shipsq</p> <p>notified on 2015-02-12 15:06:53 - Check</p> <p>2000 TWD (62 USD)</p> <p>999</p> <p>2015-02-11 21:11:21</p>
	<p>ruten.com.tw</p> <p>ROLEX*â¿ö ³Ö×O×h*â¿ö MONTBLANC*â¿ö _UÄ_Äs*â¿ö OMEGA*â¿ö ¼Ú;îX*â¿ö ARMANI*â¿ö LV¥]¥]</p> <p>21506457247384</p> <p>shipsq</p> <p>notified on 2015-02-12 15:06:53 - Check</p> <p>2000 TWD (62 USD)</p> <p>999</p> <p>2015-02-11 21:11:11</p>



Marketplaces and social media

▶ Key features

- Diversity of platforms
- Multiple languages and currencies
- Large number of ads

Response

- Flexible tool
- Harmonization, conversion
- Automatization

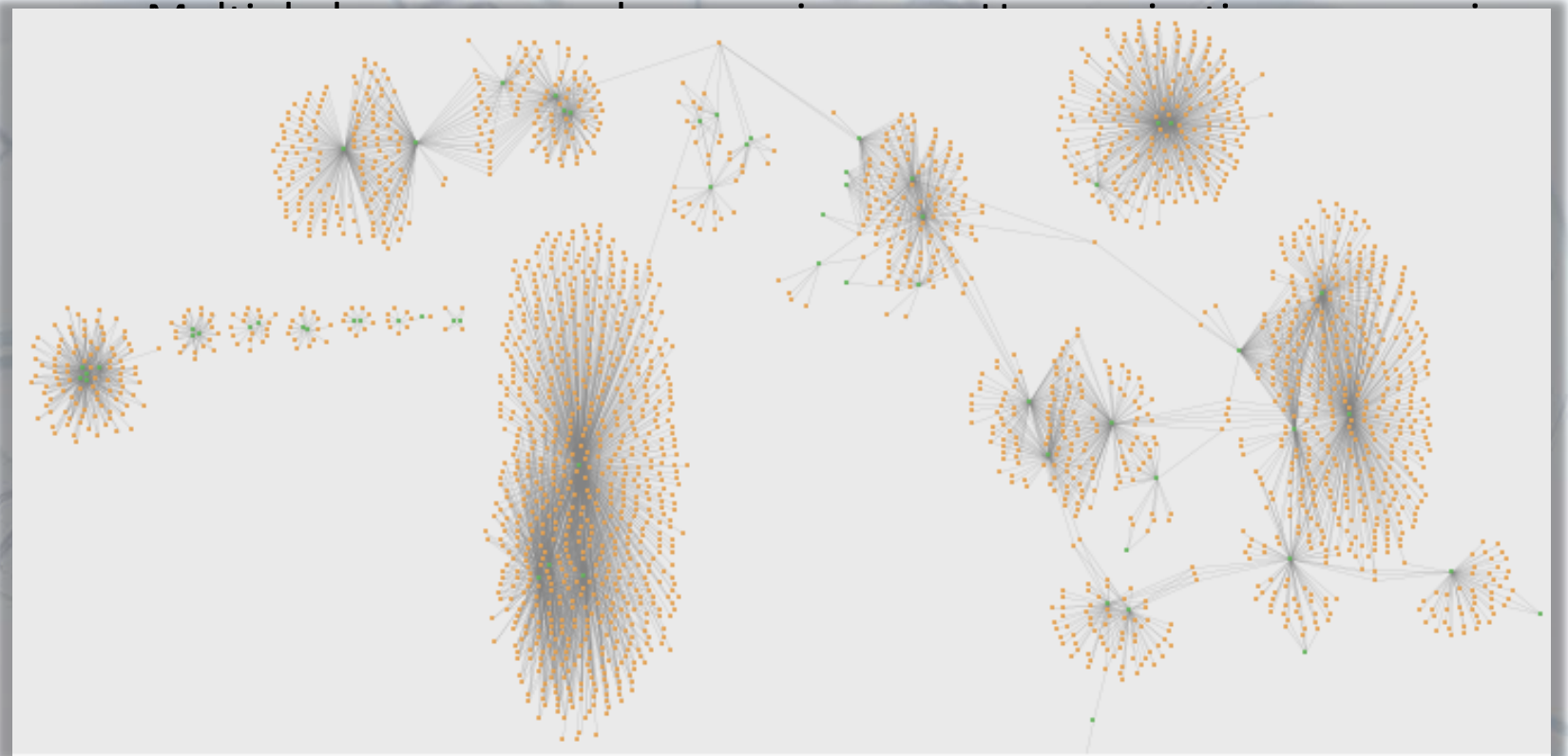
Marketplaces

▶ Key features

- Platforms' diversity

Response

- Flexible tool



2. Intelligence cycle





Strategic

Intelligence building from collected data

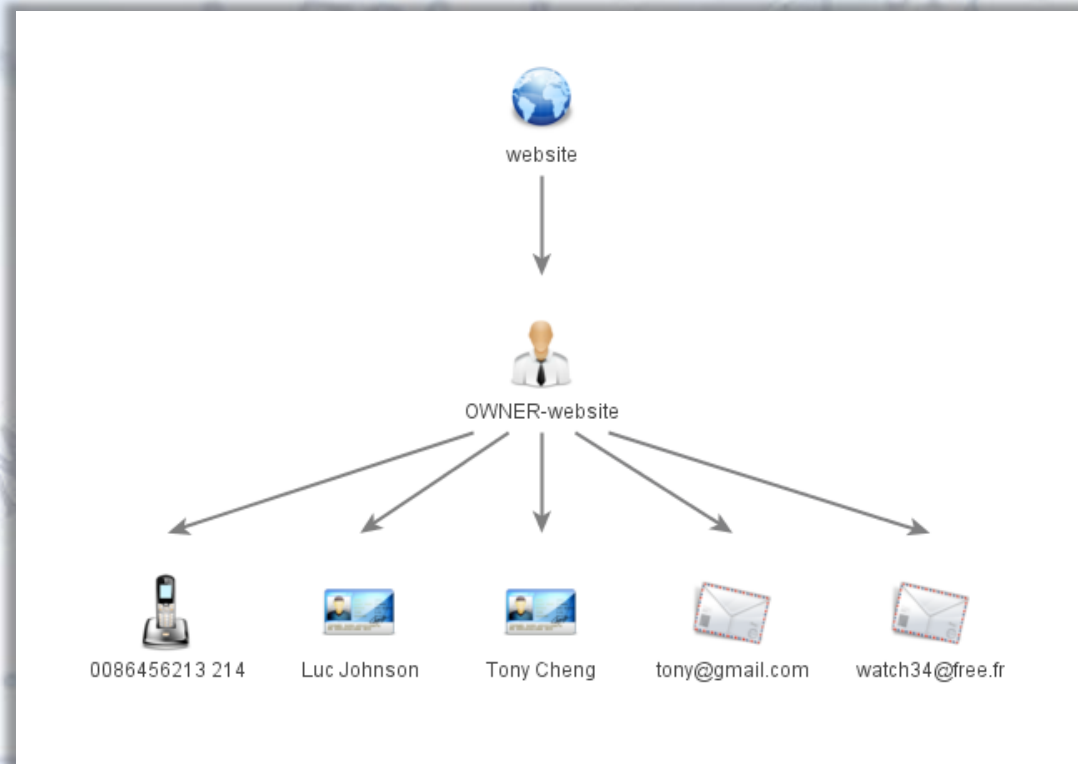
Operational tools

Analytical tools

Networks'
identification

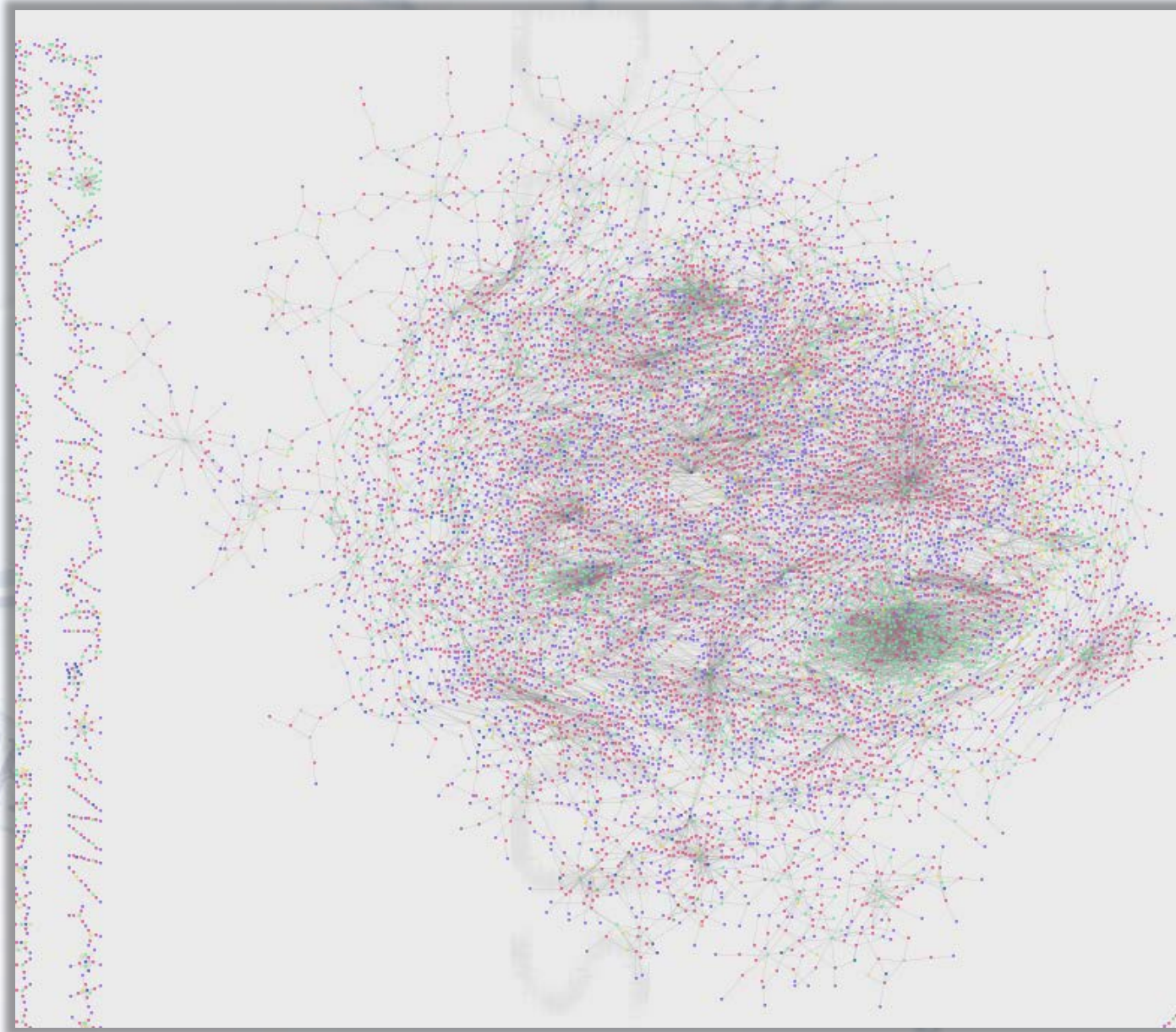
Exploitation of results

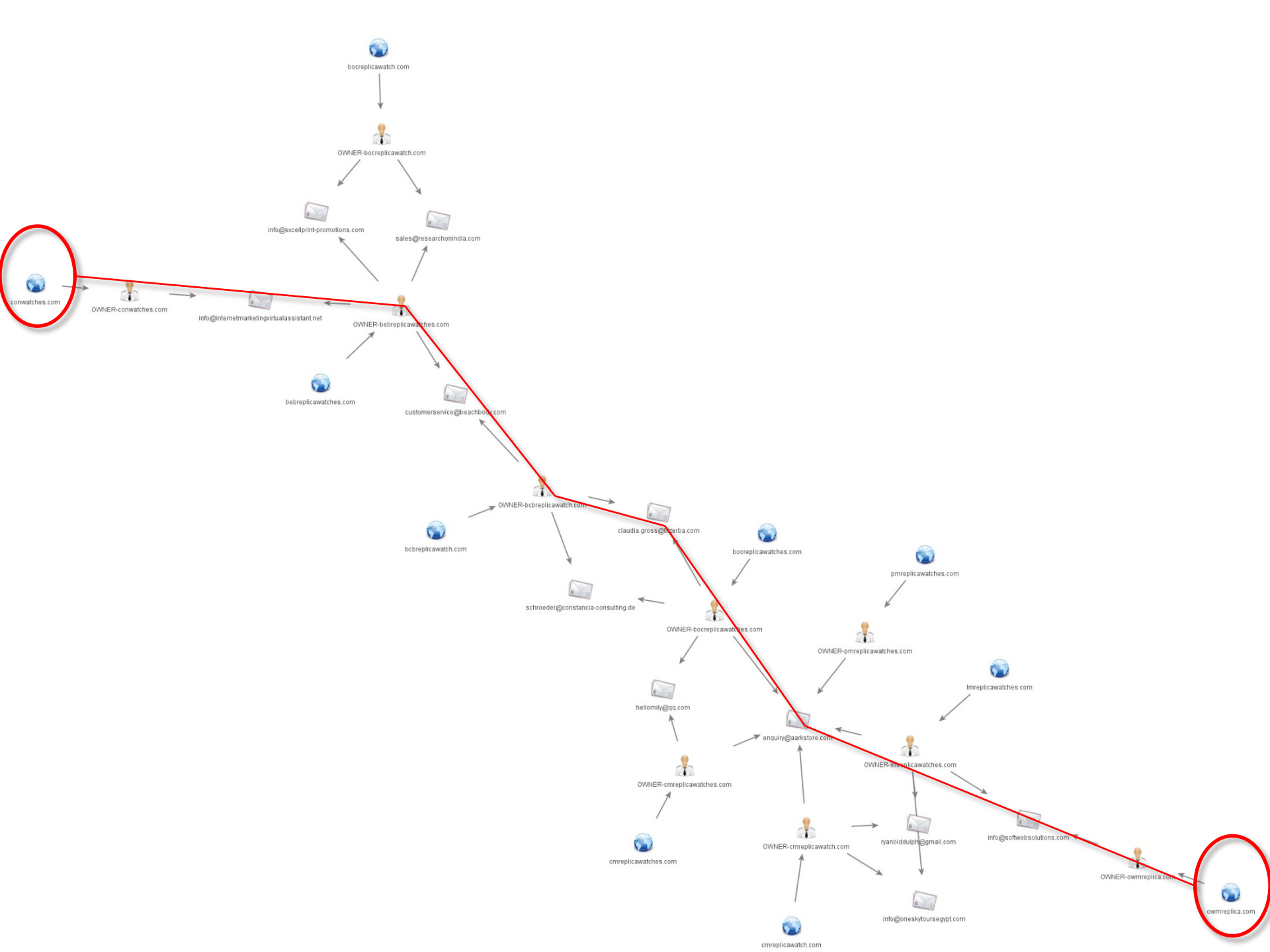
- ▶ Challenge: how to represent data in a comprehensible and usable form
- ▶ Solution: relational diagram





Results from Webintelligence

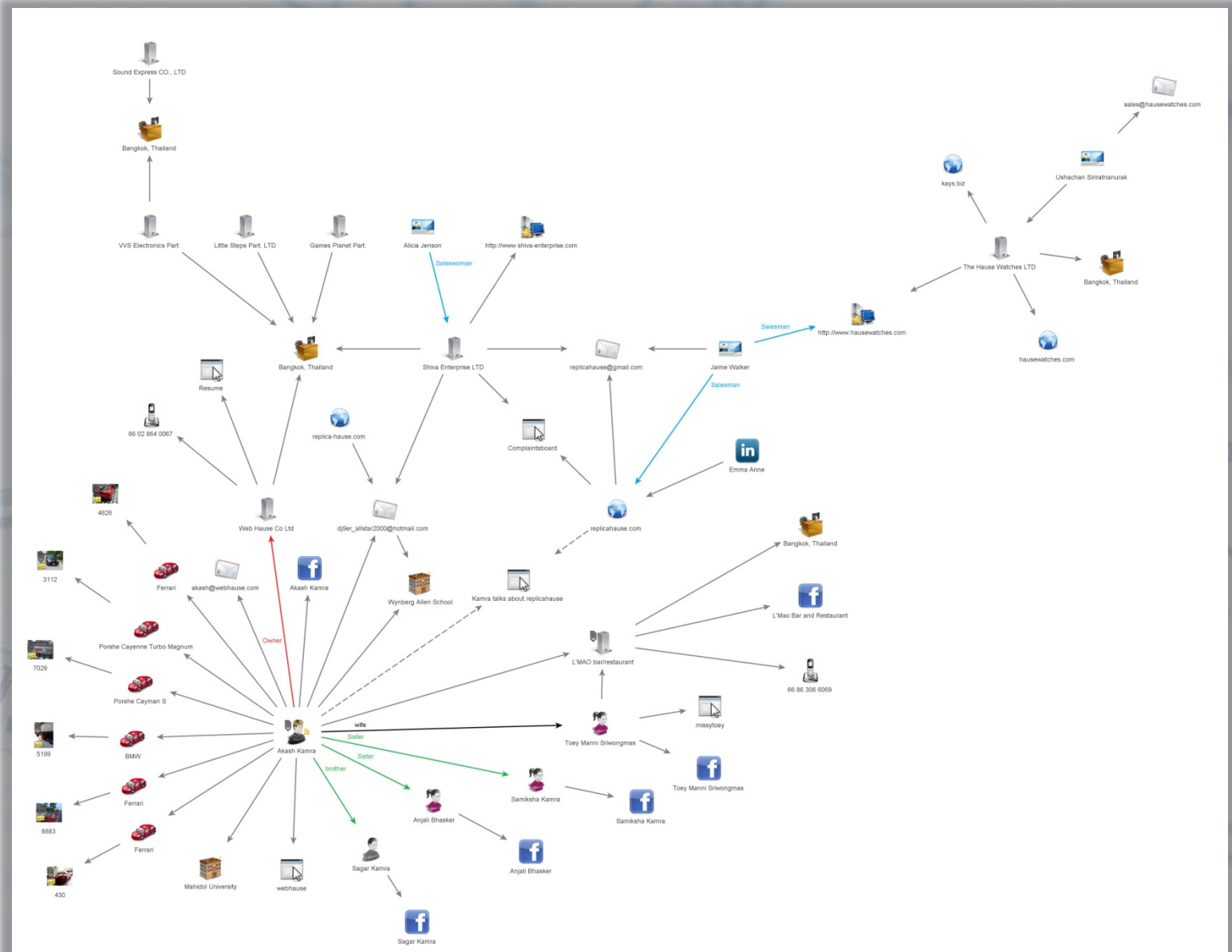




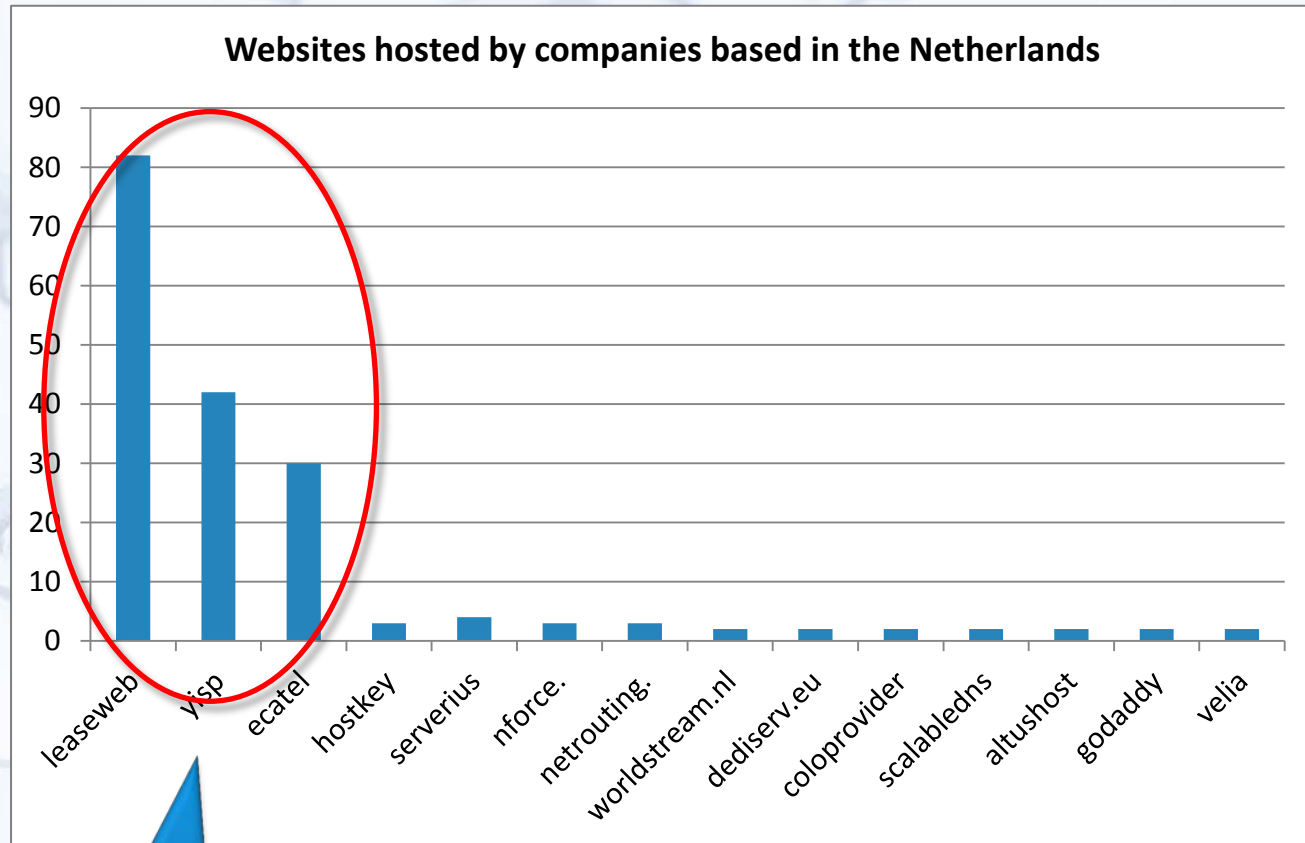


Case Study

Replicahouse



Strategic level



Target these three first !

2. Intelligence cycle





Decision makers

Take action according to intelligence



Internet stakeholders

- Cooperation
- Liability
- Legal framework



Enforcement authorities

- Awareness
- Partnership
- Legal framework



Public awareness campaigns

- Awareness
- Legal framework

Internet stakeholders / intermediaries

Essential to Internet Sales

Result in physical contact

Certain degree of monopoly (limited choice / few alternatives)

High opportunity costs (to change)

Cooperation may result in the **disruption** of sales networks

“Technical” intermediaries

“Payment” processors
(follow the money)

Express shipping companies



Enforcement authorities



Operation In Our Sites Project TransAtlantic II / Project American Icon

This domain name has been seized

Operation In Our Sites-Project TransAtlantic II is a coordinated effort by U.S. and European law enforcement agencies targeting websites and their operators that sell counterfeit goods.

Raising awareness : fraud report form

 Fédération de l'industrie horlogère suisse FH
Verband der Schweizerischen Uhrenindustrie FH
Federation of the Swiss Watch Industry FH

Search in this site:

Français FH Hong Kong FH Japan

Fraud report form

Please use this form to notify the FH of any website, online advert or any other information linked to fake watches. Appropriate measures will then be taken by our Federation.

What would you like to notify ?

- A website dedicated to the sale of fake watches
- A fake watch proposed via online classified ads or auction websites such as eBay, etc.
- A spam related to the sale of fake watches
- Other

URL address:

I am ready to spare one minute to send some useful information I am in a hurry

www.fhs.ch/en/reportabuse.php

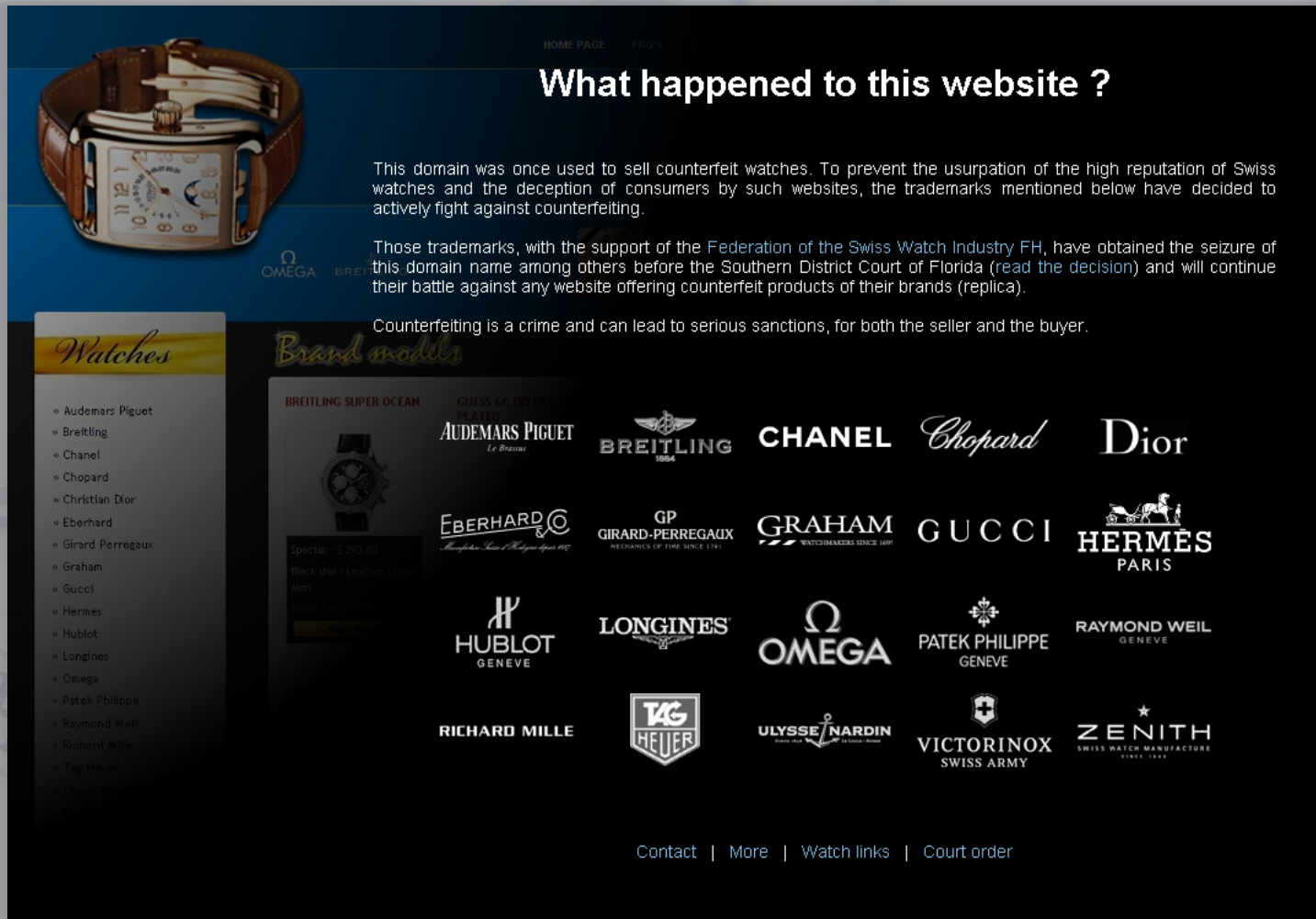


Raising awareness : Decoy website



www.replicaswisswatch.com

Awareness campaigns after domain name seizures



HOME PAGE

What happened to this website ?

This domain was once used to sell counterfeit watches. To prevent the usurpation of the high reputation of Swiss watches and the deception of consumers by such websites, the trademarks mentioned below have decided to actively fight against counterfeiting.

Those trademarks, with the support of the Federation of the Swiss Watch Industry FH, have obtained the seizure of this domain name among others before the Southern District Court of Florida (read the decision) and will continue their battle against any website offering counterfeit products of their brands (replica).

Counterfeiting is a crime and can lead to serious sanctions, for both the seller and the buyer.

Watches

- » Audemars Piguet
- » Breitling
- » Chanel
- » Chopard
- » Christian Dior
- » Eberhard
- » Girard Perregaux
- » Graham
- » Gucci
- » Hermes
- » Hublot
- » Longines
- » Omega
- » Patek Philippe
- » Raymond Weil
- » Richard Mille
- » Tag Heuer
- » Zenith

Brand models

BREITLING SUPER OCEAN

GUESS GO DIVER
PLATED

AUDEMARS PIGUET
Le Brassus

BREITLING
1884

CHANEL

Chopard

Dior

Spectator 4200 00
Black dial - Leather strap
Men

EBERHARD & CO
Manufacture Suisse / Neuchâtel depuis 1857

GP
GIRARD-PERREGAUX
MECHANICS OF TIME SINCE 1791

GRAHAM
WATCHMAKERS SINCE 1697

GUCCI

HERMÈS
PARIS

HUBLOT
GENÈVE

LONGINES

OMEGA

PATEK PHILIPPE
GENÈVE

RAYMOND WEIL
GENÈVE

RICHARD MILLE

TAG
HEUER

ULYSSE NARDIN
SWISS MADE - 1845

VICTORINOX
SWISS ARMY

ZENITH
SWISS WATCH MANUFACTURE
SINCE 1849

Contact | More | Watch links | Court order



Conclusion

A global approach

- ▶ There is no definitive solution
- ▶ Internet is under constant evolution: cope with it!
- ▶ Have a global approach:
attack from several angles at the same time.
- ▶ Cooperation between stakeholders (public / private)
is the issue: emergence of a global Internet “soft law”



Questions?

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